

Master Deed

EXHIBIT 1

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MASTER DEED

OF

GEORGETOWNE OF MORRISTOWN,
A CONDOMINIUM

DATED: APRIL 1, 2002

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THIS MASTER DEED, is made on this _____ day of _____, 2002, by the Fenix Investment & Development – Georgetowne, L.L.C., a corporation of the state of New Jersey, with its principal offices at The Carriage House, 64 MacCulloch Avenue, Morristown, New Jersey 07960, County of Morris, State of New Jersey 07054, hereinafter referred to as "Sponsor."

BACKGROUND

WHEREAS, Sponsor is the owner of the fee simple title to those lands and premises described in Exhibits "A" and "B" attached hereto and made a part hereof; and

WHEREAS, it is the present intention of the Sponsor to construct a Condominium consisting of ten (10) Units, pursuant to the provisions of the New Jersey Condominium Act, N.J.S.A., 46:8B-1, et seq. (The Condominium Act) under the name of Georgetowne of Morristown Condominium Association, Inc. (the "Condominium"); and

WHEREAS, the Sponsor at this time intends to establish the Condominium by initially declaring all the Condominium Property (as more particularly set forth in Exhibits A and B) and the building-unit mix with additional unit-mix details to be added by amendment(s) to the Master Deed, reserving the right, but not the duty, to modify floor plans, unit sizes and the number of units, and to those ends to cause this Master Deed to be executed and recorded, together with all necessary exhibits thereto.

NOW, THEREFORE, WITNESSETH:

1. ESTABLISHMENT OF CONDOMINIUM. Sponsor does hereby make, declare and publish its intention and desire to submit, and does hereby submit, the lands and premises owned by it in the Town of Morristown, County of Morris, and State of New Jersey, being more particularly described on Exhibits "A" through "E" hereof for the specific purpose of creating and establishing Georgetowne of Morristown Condominium and for the further purpose of defining the plan of Unit ownership and imposing thereon certain restrictive and protective covenants for the benefit of said Condominium, subject to Sponsor's rights to amend as set forth in Paragraph 14.

2. DEFINITIONS. For the purpose hereof, the following terms shall have the following meanings, unless the context clearly indicates otherwise:

(a) "**Articles of Incorporation**" shall mean the Articles of Incorporation for Georgetowne of Morristown Condominium Association, Inc. attached hereto as Exhibit "E"

(b) "**Association**" shall mean the Georgetowne of Morristown Condominium Association, Inc., a New Jersey non-profit corporation, formed to administer, manage

and operate the common affairs of the Unit Owners of the Condominium and to maintain, repair and replace the Common Elements of the Condominium as provided in this Master Deed and the Bylaws.

- (c) **"Authorized votes"** shall mean 10 votes, representing one vote for each Unit in the Georgetowne of Morristown Condominium. The number of authorized votes is subject to increase pursuant to Sponsor's reservation of rights to modify the number of units within the Condominium.
- (d) **"Board"** shall mean the Board of Trustees of the Condominium Association
- (e) **"Building"** shall mean each of the enclosed structures located on the Property containing Units.
- (f) **"Bylaws"** shall mean the Bylaws of the Association, a copy of which is attached hereto as Exhibit "D," together with all future amendments or supplements thereto.
- (g) **"Certificate of Incorporation"** shall mean the Certificate of Incorporation of the Association together with all future amendments or supplements thereto.
- (h) **"Common Elements"** shall mean "General Common Elements" and "Limited Common Elements," and shall have the same meaning as "Common Elements" under N.J.S.A. 46:8B-3(d), except as same may be modified by the provisions of Paragraphs 3.02 and 3.04 hereof, or the specific definitions set forth herein.
- (i) **"Common Expenses"** shall, sometimes referred to herein as "Common Charges" shall, subject to the provisions of Paragraph 5.10 hereof and the specific definitions set forth herein, mean all those costs anticipated by N.J.S.A. 46:8B-3(e), in addition to all expenses including, but not limited to, operating, capital replacement and deferred maintenance reserve expenses incurred by the Condominium Association, or its respective trustees, officers, agents or employees, in the lawful performance of their respective duties.
- (j) **"Condominium"** shall mean (i) the Property; (ii) all improvements now or hereinafter constructed in, upon, over or through the Property, whether or not shown on any exhibit to this Master Deed; (iii) all rights, roads, privileges and appurtenances belonging to or associated with the Property; (iv) any and all lands, premises, roads, interests, improvements, privileges which may be added to the Condominium from or on the premises described in Exhibits "A" through "E"; and (v) the entire entity created by the execution and recording of the Original Master Deed.
- (k) **"Condominium Act"** shall mean the provisions of N.J.S.A. 46:8B-1 et seq., and

all applicable amendments and supplements thereto.

- (l) "Condominium Association" shall mean Georgetowne of Morristown Condominium Association, Inc., a New Jersey nonprofit corporation, its successors and assigns.
- (m) "Eligible Mortgage Holder" shall mean and refer to any holder of a first mortgage encumbering any Unit who has requested, in writing, by certified mail, return receipt requested, notice of certain matters from the Condominium Association. The notice to the Association must state the name of the mortgage holder and the address to which notices are to be sent and shall identify the mortgaged Unit. All notices to an Eligible Mortgage Holder shall be effective upon mailing to the address provided by the mortgage holder, unless the address is modified by written notice given to the Association in the same manner as provided above.
- (n) "Eligible Votes" shall mean the number of Units whose owners are in good standing, as defined in Article III of the Bylaws.
- (o) "General Common Elements" shall have the same meaning as "common elements" pursuant to N.J.S.A. 46:8B-3(d), except as same may be modified by the provisions of Paragraph 5(A) hereof.
- (p) "Governing Documents" means this Master Deed, the Bylaws, the Articles of Incorporation and any Rules and Regulations adopted by the Board.
- (q) "Lease" shall mean any agreement for the leasing or rental of any Unit of the Condominium, including any sublease.
- (r) "Limited Common Elements" shall have the same meaning as "limited common elements" pursuant to N.J.S.A. 46:8B-3(k), except as same may be modified by the provisions of Paragraph 5(B) hereof.
- (s) "Master Deed" shall mean this instrument together with all future amendments or supplements thereto.
- (t) "Original Development Approvals" shall mean:
 - (1) Resolution of the Board of Adjustment of the Town of Morristown granting final site plan and use variance approval dated March 29, 2000; and
 - (2) Site Plan Approval Resolutions of the Board of Adjustment of the Town of Morristown approving amendments to the approved final site plan as

any one or all of same has been or may hereafter be amended.

- (u) "Permitted Mortgage" shall mean and refer to any mortgage lien encumbering a Unit held by a bank, mortgage banker, trust company, insurance company, savings and loan association, pension fund, governmental agency or any Eligible Mortgage Holder, or which is a purchase money mortgage held by the seller of a Unit, or any other mortgage lien which is expressly subordinate to any existing or future common expense liens imposed against a Unit by the Condominium Association.
- (v) "Property" shall mean the buildings, the land described in Exhibits "A" through "E," inclusive, and all improvements now or hereinafter constructed in, upon, over or through such lands.
- (w) "Quorum" shall, in connection with any Membership Meeting, mean 30 percent of the Eligible Votes unless otherwise required by the Articles of Incorporation or the Bylaws.
- (x) "Rules and Regulations" shall mean those rules and regulations, together with all future amendments or supplements thereto, lawfully adopted by the Board in accordance with the powers granted to it under the Governing Documents.
- (y) "Sponsor" shall mean and refer to Fenix Investment and Development – Georgetowne, L.L.C., a New Jersey corporation, its successors and assigns (excluding other Unit Owners). Sponsor shall also mean and include the term "Developer."
- (z) "Unit" shall mean a part of the Condominium designated and intended for independent use as a residential dwelling, and shall not be deemed to mean any part of the Common Elements situated within or used in connection with a Unit, as more specifically described in Paragraph 4 of this Master Deed.
- (aa) "Unit Owner" or "Owner" shall mean one or more persons or entity having fee simple title to a Unit, as shown on the records of the Morris County Clerk's office located in the state of New Jersey, including the Sponsor, but despite any applicable theory of mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title to any such Unit following foreclosure proceedings or any proceeding in lieu of foreclosure, nor shall the term "Unit Owner" refer to any lessee or tenant of a Unit Owner.
- (bb) "Unsold Units" shall mean or refer to any Units, title to which has not been transferred from the Sponsor.

Unless the context indicates otherwise, all definitions set forth in N.J.S.A. 46:8B-3 are incorporated herein by reference and the definitions set forth above shall be read in conjunction with those statutory definitions.

3. GENERAL DESCRIPTION OF CONDOMINIUM. The Condominium includes the lands described in Exhibit "A" and 10 units of varying types located in buildings, together with all associated site improvements, all as shown on Exhibits "B" and includes all rights, privileges, roads, and appurtenances thereto belonging or appertaining. As construction may be progressive and in phases based on the market and other factors, those Units that are not completed at the time of the recording of this instrument shall be deemed, in all respects when completed, to be subject to the provisions of this instrument.

4. DESCRIPTION OF UNITS. The Units within the Condominium are as graphically shown on Exhibit "C." The dimensions of the various Units are set forth in Exhibit "C." Each Unit is intended to contain space within the area bounded by the interior surface of the exterior perimeter walls of each Unit and floor and the ceiling of each as follows:

Each Unit consists of: ..

BOTTOM: The bottom of each Unit is an imaginary horizontal plane through the lowest point of the exterior surface of each portion of the lowest subfloor within the Unit and extending in every direction to the point where it closes with a side of the Unit.

TOP: The top of each Unit is an imaginary horizontal plane along and coincident with the innermost surface of the studding of the ceiling of the uppermost floor and extending in every direction to the point where it closes at every side of the Unit.

SIDES: The sides of each Unit are graphically shown on Exhibit "C." There are imaginary vertical planes along and coincident with the innermost surface of the studding of the perimeter walls, or where no wall exists an imaginary vertical plane along and coincident with the exterior surface of doors and windows and extending upwards and downwards so as to close the area in each said unit bounded by the top and bottom of the Unit.

Units include a one or two car garage as shown in Exhibit "C," the top and sides of which shall be defined by an imaginary plane coincident with the inner surface of the sheetrock, ceiling and walls, or where no sheetrock exists, then the inner surface of the wall studding, and the bottom of which shall be defined by an imaginary horizontal plane coincident with the exterior surface of the concrete slab floor.

All Units also include all built-in appliances, fixtures, doors (including, without limitation, door frames and door sills), windows (including, without limitation, window sills, window frames, glazing and mullions), interior walls and partitions, gypsum board and/or other facing material on the walls and ceilings, chimney flue, dryer vents, the inner decorated

and/or finished surface of the floors and all other improvements located within the Unit, or which are exclusively associated with or used in connection with the Unit, although all or part thereof may be located outside the Unit, and shall include, but not be limited to, the following individual appurtenances:

- (a) Complete heating system and air conditioning system (including compressors);
- (b) Hot water heater;
- (c) So much of the plumbing system from the point that it enters the exterior of the building in which the Unit it serves is located;
- (d) All electrical wiring from the point that it enters the exterior of the building in which the Unit it serves is located, and all fixtures, switches, outlets and circuit breakers; and
- (e) Any fixture, appliance, attachment or other improvement installed by a Unit Owner, whether located partially or wholly outside of the Unit.

Interior partitions or nonbearing walls within the confines of each Unit may, from time to time, be removed or replaced subject to the prior written approval of the Condominium Association. In the event a Unit Owner does remove or replace any or all such interior partitions or walls, no amendment of this Master Deed will be necessary or required. No Unit Owner other than the Sponsor may partition or subdivide a Unit, except where two units have been merged, in which event the merged unit may be re-subdivided with the written consent of the Board.

Despite any statement that may indicate the contrary, the following items are not part of the Unit and are part of the General Common or Limited Common Elements: exterior light fixtures as originally installed by the developer and any replacements thereof (but not including additional light fixtures installed by individual Unit Owners, which shall be part of the Unit), the concrete slab providing a base for the air conditioning compressors and any utility line, pipe, or facility lying outside the physical boundaries of the Unit as described above.

5. DESCRIPTION OF GENERAL AND LIMITED COMMON ELEMENTS.

A. General Common Elements

All appurtenances and facilities and other items that are not part of the Units described in Paragraph 4 or part of the Limited Common Elements described in Subparagraph 5(B) shall comprise the General Common Elements as graphically shown on

Exhibit "B." The General Common Elements shall also include by way of description but not by way of limitation:

- (i) All lands described on Exhibit "A" and as shown on Exhibit "B," whether improved or unimproved;
- (ii) All private streets, curbs and sidewalks, subject to the easements and provisions set forth in Paragraph 12;
- (iii) The outdoor parking spaces as shown on Exhibit "B;"
- (iv) Lawn area, shrubbery, conduits, utility lines, subject to the easements and provisions set forth in Paragraph 12;
- (v) Public connections and meters for gas, electricity, telephone, cable, and water not owned by the public utility or other agencies providing such services;
- (vi) The roof, attic, foundations, columns, girders, beams, exterior walls, studding in exterior walls, and all structural components or all weight-bearing walls;
- (vii) Exterior lighting and other facilities necessary to the upkeep and safety of the grounds and serving more than one Unit;
- (viii) Playgrounds, recreation facilities and retention/detention basins as shown on Exhibit "B."
- (ix) Any easement or other right that may now or hereafter be granted for the benefit of the Unit Owner(s) or others for access to or use of the General or Limited Common Elements not included within the Condominium or for any other purpose;
- (x) All tangible personal property required for the operation, maintenance and administration of the Condominium that may be owned by the Condominium Association; and
- (xi) All other elements or any improvements necessary or convenient to the existence, management, operation, maintenance and safety of the Condominium or normally in common use.

B. Limited Common Elements for the Units

The Limited Common Elements are as graphically shown on Exhibit "B," and shall include by way of description and not by way of limitation:

- (i) Any porch, patio or deck to which there is direct access from the interior of an appurtenant Unit. Each Unit Owner's right to use the porch, patio or deck appurtenant to his Unit shall be exclusive and may not be transferred apart from the conveyance of title to the Unit. The owners of a Unit to which a porch, patio or deck is attached or connected shall be responsible for all snow clearing from and routine cleaning (but not including power washing, sealing or other maintenance) of the porch, patio or deck;
- (ii) Any exterior porch, patio, steps, stairways, ~~step~~ or walkway to which there is direct access from the interior of any Unit shall also constitute a Limited Common Element for the exclusive use of the Unit(s) having such access;
- (iii) The driveway to which there is direct access from the garage of any Unit shall be a Limited Common Element for ingress, egress and parking purposes, for the exclusive use of those Units having such access to the driveway;
- (iv) Chimneys, excluding the chimney flues.

The owners of any Unit having use of any Limited Common Element shall make and be responsible for repairs to it necessitated by their own negligence, abuse or misuse. Any other repairs or maintenance with respect to the Limited Common Elements, except as otherwise provided above and as otherwise expressly stated in this Master Deed, shall be the responsibility of the Condominium Association.

C. Additional Limited Common Elements for Unit 10

Additional Limited Common Elements are graphically depicted on Exhibit "B," and shall include by way of description and not by way of limitation:

- (i) The grassy area to which there is direct access from the interior of Unit 10. This Unit Owner's right to use this area appurtenant to his Unit shall be exclusive and may not be transferred apart from the conveyance of title to the Unit. Use of this area shall be restricted to planting landscape materials and decorating the area with lawn furniture. Unit Owner may make application to the Board for additional uses of the area, however, approval or denial of such application shall be at the sole discretion of the Board.
- (ii) The Owner of Unit 10 shall furnish, perform and be responsible for, at his own expense, all of the maintenance, repairs and replacements in this exclusive use area, including grass cutting and maintenance of all plantings in the area. If, in the sole discretion of the Board or the Grounds Committee, if any, the Unit Owner of Unit 10 fails to maintain this exclusive use area properly, then the Association may effect any necessary maintenance, repair or replacement in the area at the expense of the Unit Owner of Unit 10.

6. ESTATE ACQUIRED; INTEREST IN COMMON ELEMENTS; INTEREST IN COMMON SURPLUS; VOTING AND COMMON EXPENSES. The owner of each Unit shall have such an estate in the Unit as may be acquired by grant, by purchase or by operation of law, including an estate in fee simple, and shall acquire, as an essential element of the Unit, an undivided percentage interest in the Common Elements of the Condominium, which shall not be divisible from the Unit with which it is associated, as set forth in Exhibit "C." The undivided percentage interest has been adjusted to permit it to be expressed as a finite number to avoid an interminable series of digits. The percentage interests shall remain fixed, with the exception that if Unit 8/9, as graphically depicted on Exhibit B, is physically divided by the Sponsor when it is an Unsold Unit to become two separate Units, then the two separate Units shall each have the same percentage interest as all other Units identified on Exhibit C.

The undivided percentage interest shall be used to allocate the division of proceeds, if any, resulting from casualty loss, any eminent domain proceedings, or from any other disposition of the Condominium property. Any common surplus of the Condominium Association or proceeds resulting from any disposition of the assets of the Condominium Association, shall be allocated among all Unit Owners.

The undivided percentage interest of the Unit shall not be utilized for the determination of voting rights of Unit Owners in the Condominium Association which shall be based upon one vote for each Unit, as set forth in Article III, Section 6 of the Bylaws. The Sponsor reserves the right, for so long as it shall remain the Owner of any of the Units, to change the price or value of such Units. However, no change in the price or value of any other Units shall change or otherwise affect the undivided percentage of interest of any of the Units in the General and Limited Common Elements within the Condominium or in the percentage of ownership in the Association as set forth in Article IV, Section 12 of the Bylaws. Each Unit shall be entitled to one vote.

7. NO CONVEYANCE OF UNDIVIDED INTEREST. The undivided percentage interest in the Common Elements to be conveyed with the respective Units may not be amended by the Sponsor as set forth in paragraph 6. The Sponsor, the Association and the Unit Owners covenant and agree that the undivided percentage interest in the Common Elements and the fee simple title to the respective Units conveyed therewith shall not be separately conveyed, transferred, alienated or encumbered, and each of the undivided interests shall be deemed to be conveyed, transferred, alienated or encumbered with its Unit despite that the description in the instrument of conveyance, transfer, alienation or encumbrance may refer only to the fee simple title to the Unit. The Sponsor, the Association and Unit Owners further covenant and agree that any conveyance, transfer or alienation of any Unit shall conclusively be deemed to include all of the interest of the Unit Owner in the Condominium and any encumbrance upon any Unit shall also be conclusively deemed to attach to all of the interest of the Unit Owner.

8. ASSOCIATION'S POWER OF ATTORNEY. By acceptance of a deed to any Unit or by the acceptance of any other legal or equitable interest in the Condominium, each and every such contract Purchaser, Unit Owner, mortgagee, or other lienholder or party having a legal or equitable interest in the Condominium does automatically and irrevocably name, constitute, appoint and confirm the Association as Attorney-in-Fact for the following purposes: (i) to acquire title to or lease any Unit whose Owner desires to surrender, sell or lease the same, in the name of the Association or its designees, corporate or otherwise, on behalf of all Unit Owners to convey, sell, lease, mortgage (but not vote the votes appurtenant thereto) or otherwise, dispose of any such Units so acquired or to sublease any Units so leased by the Association; (ii) to prepare, execute and record any amendments to the Master Deed adopted hereunder. At no time shall the Association or the Board impose any right of first refusal or similar restriction on any Units.

9. THE ADMINISTERING ASSOCIATION. The Condominium shall be administered, supervised and managed by Georgetowne of Morristown Condominium Association, Inc., hereinafter called the "Association," a non-profit corporation of the State of New Jersey, initially having its principal office at The Carriage House, 64 MacCulloch Avenue, Morristown, New Jersey 07960, County of Morris, State of New Jersey 07054, which shall act by and on behalf of the Owners of the Units in the Condominium, in accordance with this instrument, the Bylaws and the Condominium Act. The Bylaws form an integral part of the plan of ownership herein described and this instrument shall be construed in conjunction with the provisions of said Bylaws. Pursuant to the requirements of the Condominium Act, the Association is hereby designated as the form of administration of the Condominium and the Association is hereby vested with the rights and powers, privileges and duties necessary to and incidental to the proper administration of the Condominium, the same being more particularly set forth in the Bylaws.

The Association shall also be empowered to exercise any of the rights, powers, privileges or duties which may, from time to time, be established by law or which may be delegated by the Unit Owners. Nothing contained herein to the contrary, either in this Master Deed, in the Certificate of Incorporation or in the Bylaws shall serve to exculpate members of the Board appointed by the Sponsor from their fiduciary responsibility. In accordance with N.J.A.C. 5:26-8.2, the Association, (a) subject to this Master Deed, Declaration of Covenants and Restrictions or other instruments of creation, may do all that it is legally entitled to do under the laws applicable to its form of organization; (b) shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the community; and (c) shall provide a fair and efficient procedure for the resolution of disputes between individual Unit Owners and the Association, and between different Unit Owners, that shall be readily available as an alternative to litigation. While the Sponsor maintains control of the Board, it shall not take action that adversely affects Owner's rights under N.J.A.C. 5:25-5.5. Claims relative to defects in Common Elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

10. COMMON EXPENSE ASSESSMENTS; LIST OF ASSESSMENTS;

NOTICE OF ASSESSMENT; CERTIFICATE AS TO PAYMENT AND LIEN FOR ASSESSMENT. It shall be an affirmative and perpetual obligation of the Condominium Association to fix Common Expense assessments in an amount at least sufficient to maintain the exterior of the Units and maintain and operate the other Common Elements. The amount of monies for Common Expenses of the Association deemed necessary by the Board and the manner of its expenditure shall be a matter for their sole discretion. Annual assessments shall be made for the fiscal year of the Association, and shall be due at the commencement of the fiscal year, with the privilege of paying in monthly installments, due on the first day of the month, if payments are made on a current basis. Each Unit will pay an annual assessment based upon the undivided percentage interest allocated to the Unit. The Board shall cause to be prepared, at least 30 days in advance of the commencement of the fiscal year, the amount of the Common Expense Assessment for each Unit, which shall be kept in the office of the property manager and shall be open to inspection, upon request, by any Unit Owner. Written notice of the Common Expense assessments shall be sent to every Unit Owner.

If an annual Common Expense assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior year's assessment, and monthly installments on such assessment shall be due upon each installment payment date until changed by the Board by an amended assessment.

In the event that the annual Common Expense assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board, provided that nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum assessment in the case of any immediate need or emergency that cannot be met by reserve funds earmarked for such contingency.

~~In addition to other assessments authorized in this section, the Board may levy an additional assessment applicable only to all owners in a specific building or buildings in connection with annually recurring, non-routine, maintenance charges related to such building or buildings that are not common to all Units in the Condominium. The determination of the Board concerning the classification of expenses that may be specially assessed under this paragraph will be final and binding upon all Unit Owners.~~

In addition to other assessments authorized in this Master Deed, the Board may levy assessments for repair, maintenance and replacement of Common Elements in accordance with Article XIII of the Bylaws.

In addition to the other assessments authorized in this Master Deed, the Board may levy, in any assessment year, a capital improvement assessment for the purpose of acquiring real or personal property or constructing a new capital improvement, provided that if the acquisition of real or personal property or construction of any new capital improvement requires the Condominium Association to expend in excess of \$10,000.00 in total, the Board may not levy the assessment unless it has been authorized by the assent of two-thirds of the Eligible Votes present in person or by proxy at a meeting of the Members, with a quorum for

this purpose being 50 percent of the Eligible Votes. Written notice of the meeting, stating the purpose of the meeting, will be sent to all Unit Owners not less than 30 days in advance. The due dates of any capital improvement assessment, or any installments thereof, must be fixed in the resolution authorizing the capital improvement assessment. New capital improvements to the Common Elements that are reasonably anticipated to cost less than \$10,000.00, must be approved, in advance, by vote of majority of the members of the Board.

Every Unit Owner, by acceptance of a deed or other conveyance for a Unit, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Condominium Association all assessments and other charges more particularly described in this Master Deed. Upon the conveyance of title to a Unit, the portion of the then current annual assessment payable by the purchaser shall be an amount that bears the same relationship as the annual assessment period bears to 365.

The Condominium Association shall, upon the request of any Unit Owner liable for a Common Expense assessment, or of the Eligible Mortgage Holder of any Unit, furnish to such Unit Owner or mortgagee, a certificate in writing, signed by an officer of the Condominium Association, setting forth whether or not such Common Expense assessment has been paid. The certificate shall constitute conclusive evidence of the payment of any Common Expense assessments therein stated to have been paid, provided that if such certificate is in error, it shall not relieve the owner of record at the time such certificate was issued from being responsible for the payment of the full sum due.

No Unit Owner may waive or otherwise avoid liability for Common Expenses by non-use of the Common Elements. Each assessment shall be a continuing lien upon the Unit against which it was made and shall also be the personal obligation of the owner of the Unit at the time when the Common Expense assessment fell due, together with interest thereon and cost of collection thereof (including attorney's fees). Liens for unpaid Common Expense assessments may be foreclosed by suit brought in the name of the Condominium Association in the same manner as a foreclosure of a mortgage on real property. Suit to recover a money judgment for unpaid Common Expense assessments may be maintained without waiving the lien securing the same.

11. COMMON EXPENSES; RESPONSIBILITIES OF OWNERS; DAMAGE DUE TO NEGLIGENCE, OMISSION OR MISUSE. The annual Common Expense assessments levied by the Board shall be used exclusively for promoting the health, safety, pleasure and welfare of the members of the Condominium Association, including, but without limitation, the maintenance and repair of the exterior and roofs of the Units; cleaning and painting of the exterior surfaces and finishes of the Units; maintenance, repair and replacement of the Common Elements; payment of all taxes and insurance premiums; all costs and expenses incidental to the operation and administration of the Condominium Association; and such other items as may from time to time be deemed appropriate by the Board.

Each Unit Owner shall promptly furnish, perform and be responsible for, at his own expense, all of the maintenance, repairs and replacements within his own Unit provided, however, the Condominium Association, its agents and employees may effect emergency or other necessary repairs which the Unit Owner has failed to perform. But, any and all expenses incurred pursuant to this provision shall be the responsibility of the Unit Owners affected thereby. Except as otherwise provided in this Master Deed, maintenance, repairs and replacements of the plumbing fixtures and systems, doors, electrical wiring and receptacles, kitchen appliances and equipment, interior lighting fixtures, and fixtures, appliances, or any other facility installed by a Unit Owner, whether located partially or fully outside of a Unit, but which are not Common Elements, and replacement of light bulbs in exterior fixtures serving a particular Unit (even if such light fixture provides incidental lighting to the Common Elements), shall be the Unit Owner's responsibility at its sole cost and expense.

Notwithstanding the preceding paragraph, any repair to a portion of a Unit located within an exterior wall or weight-bearing structural assembly (if and to the extent it is part of the Unit) will be undertaken by the Association at the cost and expense of the affected Unit Owner. The determination of the Association with respect to the nature of the repair or replacement and the selection of the contractor to perform the work will be at the Association's discretion and will be binding on the affected Unit Owner. All costs incurred by the Association pursuant to this provision will be collectible in the same manner as the Common Expense assessment.

Any maintenance that is the Unit Owner's obligation to perform and that affects the exterior appearance of a Unit, shall be subject to the prior written review and approval by the Board. If the Unit Owner fails to perform such work, the Condominium Association may do so on the Unit Owner's behalf and charge the reasonable expenses thereof to the Unit Owner. Maintenance, repair, replacement, cleaning and washing of all wallpaper, paint, paneling, floor covering, draperies and window shades or curtains within or outside of any Unit, and inspection and cleaning of chimney flues, dryer vents and windows, shall be the Unit Owner's responsibility at his sole cost and expense.

If, due to the misuse, negligent act or omission to act by a Unit Owner, or a member of his family or household pet, a guest, occupant or visitor of a Unit Owner (whether authorized or unauthorized by the Unit Owner), damage shall be caused to the Common Elements, or to the Unit(s) owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, then such Unit Owner shall pay such damage and be liable for any damages, liability, costs, expenses, including attorney's fees, caused by or arising out of such circumstances. Further, such maintenance, repairs and replacements to the General or Limited Common Elements or the Unit(s) shall be subject to the Bylaws and the Rules and Regulation of the Condominium Association.

However, prior to the conveyance of the first Unit to a third party, the Sponsor shall be solely responsible for all the above mentioned costs and expenses in addition to any accrued contributions to Reserves which may be required under Article IX, Section 10 of the

Bylaws. The obligation of the Sponsor to pay Common Expenses shall be as set forth in Paragraph 19 of this Master Deed.

12. EASEMENTS

A. Sponsor shall have the following easements with respect to the Property:

(i) A blanket and nonexclusive easement in, upon, through, under and across the Common Elements for the purpose of construction, installation, maintenance and repair of any improvements to the Units, utility systems or the Common Elements, for use and access to an on-site service trailer, for ingress and egress for the use of all driveways, parking areas, and for the utilization of Units for leasing to third parties and for models, for administrative offices, for rental and sales promotion and exhibition, until the expiration of two (2) years from the date the last Unit is sold and conveyed in the normal course of business, but in no event more than five (5) years from the date of recording of this Master Deed. In addition, Sponsor hereby reserves the irrevocable right to enter into, upon, over or under any Unit for such purposes as may be reasonably necessary for the Sponsor or its agents to service such Unit or any part of the Building provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of any emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not.

(ii) A perpetual, blanket and nonexclusive easement in, upon, over, under, across and through the Common Elements for surface water runoff and drainage caused by natural forces and elements, grading and/or the improvements located upon the Property. No individual Unit Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the condominium.

~~(iii) A perpetual, blanket and nonexclusive easement in, upon, over, under, across and through the Common Elements for the purposes of construction, installation, maintenance and repair of lines, conduits, meters, utilities and other facilities necessary for the operation of a private cable or satellite master antenna television system. This easement may be assigned and no Unit Owner shall directly or indirectly interfere with or alter the use of this easement. Neither the Association nor any Unit Owners shall be obligated by this Master Deed or the reservation of this easement to use any system installed in accordance with this easement.~~

(iv) A perpetual, blanket and nonexclusive easement in, upon, through, under and across the Common Elements for access to the site entrance sign. The Association shall be responsible for maintenance and lighting of this sign. Sponsor reserves the right to maintain the sign in the event the Association fails to do so. This sign shall not be altered or changed in any way without Sponsor's written consent.

B. Every Unit Owner, his successors and assigns, shall have the following perpetual easements with respect to the Property:

- (i) A non-exclusive easement in, upon, over, under, across and through the Common Elements to keep, maintain, use, operate, repair and replace his Unit in its original position and in every subsequent position to which it changes by reason of the gradual forces of nature and the elements;
- (ii) An exclusive easement for the existence and continuance of any encroachment by his Unit upon any adjoining Unit or upon any Common Elements, now existing or that may come into existence hereafter as a result of construction, repair, shifting, settlement, movement of any portion of a Unit, or as a result of condemnation or eminent domain proceedings, so that any such encroachment may remain undisturbed so long as the Unit stands;
- (iii) A non-exclusive easement for ingress and egress to his Unit in, upon, under, over, across and through the Common Elements;
- (iv) An exclusive easement to use and enjoy the surfaces of the main walls (including any windows, doors, chimneys, decks, patios or stoops therein), or any exterior fixtures, appliances or facilities originally installed, or installed by the Unit Owner with the express written permission of the Board;
- (v) An easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines, cable and master antenna television, and other Common Elements located in any of the other Units and serving his Unit; and
- (vi) A perpetual and non-exclusive easement in, over and through the Common Elements of the Condominium and to use the roads, walks and common facilities within the Condominium subject to the right of the Board to:
 - (a) promulgate Rules and Regulations for the use and enjoyment of the Common Elements;
 - (b) suspend the enjoyment of any Unit Owner, as provided in Article III, Section 5 of the Bylaws, when any assessment for Common Expenses remains unpaid, or so long as any infraction of its Governing Documents continues, it being understood that any suspension for either non-payment of any assessment or a breach of the Governing Documents of the Condominium Association shall not constitute a waiver or discharge of the Unit Owner's obligation to pay the assessment or comply with Governing Documents;
 - (c) impose user fees upon any Unit Owner or group of Unit

Owners in connection with any special services or privileges provided by the Association to such Unit Owner(s) and not provided or available to all Unit Owners;

- (d) grant an easement over all or any part of the Common Elements, other than the Units, as the Board, in its sole discretion, may deem to be in the best interest of the Condominium Association; and
- (e) dedicate or transfer all or any part of the Common Elements, other than the Units, to any municipal, county, state, federal or other public agency, authority or utility, for such purposes and subject to such conditions as may be agreed upon by the Unit Owners, provided that such dedication, transfer or determination shall be authorized by the affirmative vote of two-thirds of the Eligible Votes present in person or by proxy at a duly constituted meeting of the Unit Owners of the Condominium Association, and written notice of the proposed resolution authorizing such action will be sent to every Unit Owner at least 90 days in advance of the date of the scheduled vote, when such action will be taken. A true copy of such resolution together with a certificate of a result of the vote taken therein shall be made and acknowledged by the President or Vice-President and Secretary or Assistant Secretary of the Condominium Association, and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Elements other than the Units, prior to the recording thereof in the Office of the Morris County Clerk. Such certificate shall be conclusive evidence of authorization by the membership.

C. The Property shall also be subject to the following easements:

- (i) The Condominium Association shall have a perpetual, exclusive easement for the existence, continuance, and maintenance of any Common Elements, or of any improvements owned by it which presently or may hereafter encroach upon a Unit;
- (ii) The Condominium Association, through the Board, or any manager, or managing agent, or other respective agents or employees, shall have the perpetual and non-exclusive right of access to each Unit to remove any violations under the Governing Documents, to make such repairs as it is authorized to make under Paragraph 8 of this Master Deed when a Unit Owner has failed to make those repairs, and to perform any operations required in connection with the maintenance, repairs or replacements of or to the Common Elements, or any equipment, facilities or fixtures affecting or serving other Unit(s) or the Common Elements; provided that requests for

entry are made in advance and that any such entry is during normal business hours that is reasonably convenient to the Unit Owner. In case of any emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not;

- (iii) Any Eligible Mortgage Holder, its officers, agents and employees, shall have a blanket, perpetual and non-exclusive easement to enter the Condominium or any part thereof to inspect the condition and repair of the Common Elements, or any Unit so encumbered. This right shall be exercised only during reasonable daylight hours, and then whenever practicable, only after advance notice to and with permission of the Board and the Unit Owner;
- (iv) A blanket, perpetual and non-exclusive easement in, upon, over, across and through the Common Elements for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone pipes, lines, mains, conduits, wires, poles, street lights, transformers or cable television facilities and any and all other equipment or machinery necessary or incidental to the proper function of any utility systems serving the Property, which easement shall be for the benefit of any governmental agency, or utility company or other entity which requires same for the purpose of furnishing one or more of the foregoing services; and
- (v) A blanket, perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the Common Elements to the Sponsor, the Township of Morristown and County of Morris, the Condominium Association, their respective officers, agents and employees (but not the public in general) and all police, fire and ambulance personnel in the proper performance of their respective duties, (including but not limited to emergency or other necessary repairs to a Unit which the Unit Owner has failed to perform), and for repair and maintenance of the Common Elements. Except in the event of emergencies, the rights accompanying the easements provided for in this sub-paragraph shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with permission of the Unit Owner(s) directly affected thereby.
- (vi) Notwithstanding any language to the contrary in this Master Deed, the Sponsor, its successors and assigns, shall have the absolute and sole right, without the need for the consent of the Association, its Members or Owners, or any Mortgages, to grant easements to any governmental agency, individual or utility company or companies, provided same are deemed by the Sponsor, in its sole discretion, to be of benefit to the Property or such easements as may be required by the Town of Morristown, or other governmental entity.

13. RESTRICTIONS. The Condominium is subject to all covenants, restrictions

and easements of recording including but not limited to those easements set forth in paragraph 12, and to the following restrictions:

- (a) Units shall be used primarily as private single-family residences and such other uses as may be permitted under the zoning ordinances of the Town of Morristown, provided such other uses have no external impact upon the Georgetowne of Morristown Condominium or the Unit Owners. "External impact" as used in this subparagraph means any perceptible additional noise, traffic, utilization of parking spaces, odors noticeable from the exterior of a Unit, or any activity constituting a nuisance or annoyance to other Unit Owners. No Tier 3 Megan's Law registrant may reside in a Unit as more specifically set forth in Article XXX of this Master Deed. The Sponsor may also use its Units as sales offices, administrative offices or models.
- (b) No clothes poles or lines shall be installed or maintained. No clothes, sheets, blankets, or laundry of any kind or other articles may be hung or displayed on the outside of windows or placed on the outside window sills, walls or balconies of any Unit or in any parking area.
- (c) No animal may be kept, harbored or maintained in any Unit except customary household pets as defined by the Board, in its sole discretion, by adoption of a resolution, provided, however, that Unit Owners purchasing Units from the Sponsor may maintain not more than two household pets through their entire period of ownership of the Unit. The Board may not: (i) modify the definition of "household pet" adopted by resolution of the Sponsor-controlled Board until the Sponsor has conveyed the last Unit it owns to a third party; and (ii) in no event may the Board change the definition of "household pet" in a manner that would prohibit any pet permitted when a Unit Owner purchased from the Sponsor. No Unit Owner shall permit any dog to cause any injury to any persons or other animals, or to cause damage to any Common Elements or any property of any other Unit Owner. The Board may, by resolution, limit the number and type of pets that may be kept or maintained in a Unit, provided, however, that in no event may the Board require the removal of pets validly kept or maintained within a Unit pursuant to a prior resolution of the Board.

If dogs are permitted by resolution of the Board, no Unit Owner shall permit a dog to relieve itself upon the sidewalks, driveways, flower beds, playground areas, or on any landscaped area more than three feet from any street curb. The Unit Owner shall be responsible for cleaning up after the dog housed within its Unit and this shall include an obligation to immediately remove all waste deposited by the dog on the Common Elements in a sanitary manner. Dog waste shall be removed and disposed by placing it in a sealed, nonabsorbent, leakproof container. Dog waste shall not be disposed in any

catchbasin, detention basin or other Common Element. This provision regarding removal of dog waste shall not apply to blind persons using dogs as guides.

- (d) No trailer, tractor, truck (used for commercial purposes), mobile home, recreation vehicle, boat, boat trailer, school bus, inoperable vehicle, vehicle containing any commercial message or lettering, or containing ladder racks, tool storage racks or other fixtures of similar type, or the like, shall be stored or housed on the Property, except within the garage and in compliance with the Rules and Regulations of the Condominium Association. }
- (e) No exterior loudspeakers other than as contained in portable radios or television sets shall be permitted. No floodlights shall be installed in any exterior area of any Unit, except as approved in writing by the Board.
- (f) No sign of any kind shall be permitted upon a Unit or within a Unit that is visible upon the Common Elements, except pursuant to the Rules and Regulations now or hereafter adopted by the Board.
- (g) No Unit Owner or occupant shall build, plant, or maintain any matter or thing upon, in, over or under the Common Elements without the prior written consent of the Board, including, without limitation, antennas, satellite dishes or other receiving or transmission devices except: (i) as expressly permitted under the federal Telecommunications Act of 1996 and the regulations promulgated under it; or (ii) satellite dishes of one meter or less mounted by a Unit Owner on the portion of the roof covering the Owner's Unit and facing the rear yard; or (iii) as the Board may permit in accordance with a duly adopted resolution. Any Unit Owner installing a satellite dish pursuant to subpart (ii) of the preceding sentence shall submit a property modification request to the Board on such forms as the Board, by rule, may require. The Board may, in approving the request for the installation of a satellite dish on a roof, require: (I) that the Unit Owner utilize a contractor approved by the Association; (II) that the Owner provide evidence of liability insurance in the amount of not less than \$500,000.00 insuring against property damage or personal injury as a result of the installation of the satellite dish, which policy shall name the Association as an additional insured; (III) the Owner remove the satellite dish promptly upon receipt of notice from the Association to permit the Association to undertake necessary maintenance or repair work; (IV) the Unit Owner to enter into a Agreement that, among other things, provides that the Unit Owner will be liable for any damage to the Common Elements or any other Unit Owner's property as a result of the installation of the satellite dish; and (V) that the Unit Owner will remove the satellite dish upon conveying the Unit to a third party, restore the roof to the same condition it was in prior to the installation of the satellite dish, or obtain

written agreement from the purchaser of the Unit providing that the purchaser will assume all responsibilities of the Unit Owner upon closing of title.

- (h) Unit Owners or occupants shall not paint or otherwise decorate or change the appearance of any portion of the exterior of any Unit, without the express written consent of the Board.
- (i) To the extent that equipment, facilities and fixtures within any Unit(s) shall be connected to similar equipment, facilities or fixtures affecting or serving other Unit(s) or the Common Elements, then the use thereof by the individual Unit Owners shall be subject to the Governing Documents of the Condominium Association.
- (j) Nothing shall be done or kept in any Unit or in or upon the Common Elements that will increase the rates of insurance of the Unit(s) or the contents thereof beyond the rates applicable for Units, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in or upon the Common Elements which will result in the cancellation of insurance on any Units or the contents thereof, or which will be in violation of any law.
- (k) No noxious or offensive activities shall be carried on, in or upon the Common Elements or in any such Unit nor shall anything be done therein which may be or become an annoyance or nuisance to the others in the Condominium.
- (l) No immoral, improper, offensive or unlawful use shall be made of any Unit; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction over a Unit shall be observed.
- (m) Nothing shall be done to any Unit or on or in the Common Elements which will impair the structural integrity of any Unit or which will structurally change a Unit. No Unit Owner may make any additions, alterations or improvements to the Common Elements, without the prior written approval of the Board and in accordance with procedures set forth in the Bylaws and Rules and Regulations. Board approval, however, shall not incur any liability on the part of the Condominium Association to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The Unit Owner shall furnish the Condominium Association with a copy of any permit procured for non-structural changes to the Unit or for Board-approved changes to the Common Elements, if such permit is required by a municipal authority. All costs incidental to the approval, including any consultant's fees, shall be paid by the Unit Owner. Nothing herein shall preclude the adaptation of any Unit to handicapped use.

- (n) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably intended and suited and that are incident to the use and occupancy of the Units.
- (o) No Unit shall be rented by the owners (except a lender in possession of such Unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure) or otherwise utilized for transient or hotel purposes, which shall be defined as "(i) rental for any period less than one year; or (ii) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverages, maid service, furnishing laundry or linen, and bellboy service," provided, however, that any Unit Owner may rent for a period of less than one year to a contract purchaser. No Unit Owner may lease less than an entire Unit. Other than the foregoing obligations, the Unit Owners shall have the right to lease provided that: (i) the lease is in writing and made subject to all the provisions of this Master Deed, the other Governing Documents and other documents referred to herein; (ii) a copy of the written lease, containing the foregoing provision has been delivered to the property manager for the Condominium Association; and (iii) that any failure of a tenant to comply fully with the terms and conditions of this Master Deed, or the other Governing Documents shall constitute a default under the lease.
- (p) In the event a tenant of a Unit defaults under his or her lease by failure to comply with the provisions of this Master Deed, the other Governing Documents, or any other document referred to herein, then, in addition to all other remedies which it may have, the Condominium Association or its representative shall notify the Unit Owner of such default(s) and demand that the same be cured through the Unit Owner's efforts within 30 days after such notice. If such default(s) is not cured within the 30-day period, then the Unit Owner shall immediately thereafter, at his or her own cost and expense, institute and diligently prosecute an eviction action against the tenant on account of such default(s). Such action shall not be compromised or settled without the prior consent of the Condominium Association or its representative. In the event the Unit Owner fails to fulfill the foregoing obligation, then the Board shall have the right, but not the duty, to institute and prosecute an action as attorney-in-fact for the Unit Owner, at the Unit Owner's sole cost and expense, including all legal fees incurred. The costs and expenses shall be deemed to constitute a lien on the particular Unit involved, and collection thereof may be enforced by the Condominium Association. By acceptance of a deed to any home, each and every Unit Owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Board as his or her attorney-in-fact for the purposes described in this paragraph. Whenever a tenancy terminates in less than one year, there

shall be a rebuttable presumption that the owner has violated the terms of this restriction and the owner may not re-lease the Unit for the balance of the one-year term (beginning with the commencement date set forth in the written lease) unless the owner demonstrates to the reasonable satisfaction of the Board, that the termination of the prior tenancy was due to factors beyond the control of the owner.

- (q) Every owner leasing a Unit must, prior to the commencement of the tenancy, provide a copy of a written lease, consistent with the terms set forth below, and a processing and administration fee, payable to the Association, in an amount to be determined by the Board, to cover the costs of reviewing the lease and inspection of any Common Elements located within or about the Unit being leased. If the leasehold remains in effect for more than one year, the owner must pay an additional processing and administration fee to be determined by the Board on the anniversary date of the lease, which fee will not be pro-rated if the remaining term is less than one year. Other than the foregoing obligations, any owner shall have the right to lease his or her Unit subject to the limitations set forth in this section, provided that the lease is in writing for a term of no less than one year and made subject to all provisions of the Governing Documents, and provided further that any failure of the tenant to fully comply with the terms and conditions of such documents shall constitute a default under the lease.
- (r) A refundable security deposit in an amount to be determined by resolution of the Board but not to exceed \$1,000 will be payable upon the commencement of each leasehold to secure conformity with the terms of the Governing Documents. In the event, following an appropriate hearing as required by law or pursuant to this Master Deed or the Bylaws, it is determined that a tenant has caused any damage to the Common Elements, or there remains any unpaid fine due the Association, the Association may retain from the security deposit the amount necessary to reimburse it for the costs of repair to the Common Elements, or for any unpaid fines. Upon the termination of the leasehold, and the vacation of the Unit, the balance of the security deposit will be refunded to the owner. The amount of the security deposit will not limit the responsibility of the owner for any damage to the Common Elements, or for any fines resulting from a violation of the Governing Documents.
- (s) No hazardous substance or hazardous waste (as those terms are defined pursuant to regulations issued by the New Jersey Department of Environmental Protection) may be stored in any Unit, except hazardous substances that are used in connection with commonly available household products intended for interior use and storage.

- (t) The Association shall maintain the gate, if any, between Units 5 and 6 in an open position at all times to provide the Owners of Units 5 and 6 with unimpeded access to their Units. The Association may not install any fence or other impediment to access between Units 5 and 6. Notwithstanding any provision contained herein or in the By-Laws or Certificate of Incorporation to the contrary, this provision may not be amended without the prior written consent of the Owners of Units 5 and 6.
- (u) Nothing in these restrictions or in this Master Deed generally shall be construed to prohibit the reasonable adaptation of any Unit for handicapped use.

14. SPONSOR'S RESERVATIONS OF AMENDMENT RIGHTS - POWER OF ATTORNEY. Sponsor hereby reserves for itself for a period of five (5) years from the date the first Unit is conveyed to an individual Purchaser, or until the closing of title of not less than six (6) condominium Units within the Property, whichever occurs first, the right to execute on behalf of all contract Purchasers, Unit Owners, Institutional Lenders, Permitted Mortgagees, eligible insurers or guarantors, other lien holders or parties claiming a legal or equitable interest in the Condominium and Units, any agreements, documents, amendments, or supplements to the Master Deed and Bylaws which may be required to effectuate the changes enumerated below; provided, however, that with the exception of any Unsold Unit, no such agreement, document, amendment or supplement shall effect a material physical modification of a Unit or adversely affect the value of the Unit or the priority or validity of any mortgage on any Unit, without the prior written consent of the mortgagee of the Unit Owner.

~~As a requirement to being the transferee or recipient of any interest in the~~ Condominium or any Unit, each and every transferee shall execute the deed by which title or interest is being conveyed to such transferee and such deed shall provide that the transferee does irrevocably name, constitute, appoint and confirm Sponsor as Attorney-in-Fact for such transferee for the purposes set forth in this paragraph of the Master Deed. Further, by acceptance of a deed to any Unit or by the acceptance of any other legal or equitable interest in the Condominium and Units, each and every contract Purchaser, Unit Owner or occupant holder of any mortgage or other lien, does automatically and irrevocably name, constitute, appoint and confirm Sponsor as Attorney-in-Fact for the purpose of executing such amended Master Deed and other instrument(s) necessary to effect the foregoing.

The power of attorney aforesaid is expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all Units and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all rights, title and interest of the principal in and to said power.

15. NO PARTITION. Subject to the provisions of this Master Deed, and Certificate of Incorporation and Bylaws of the Condominium Association and the Condominium Act, the Common Elements shall remain undivided and no Unit Owner(s) shall bring any action for partition or division thereof. In addition, the undivided percentage interest in the Common Elements shall not be separated from the Unit to which it is allocated and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

16. COMPLIANCE BY OWNERS; MEMBERSHIP IN THE ASSOCIATION . Each owner or occupant of a Unit shall comply with, and shall assume ownership or occupancy subject to laws, rules and regulations of governmental authorities having jurisdiction over the Condominium, the provisions of the Governing Documents and any other documents, amendments or supplements to the foregoing as described in paragraph 13 hereof. Failure to comply with any provisions of the Governing Documents shall be grounds for judicial relief to prohibit non-compliant behavior or activities ("injunctive relief") by the Condominium Association, or any Unit Owner, and for such other sanctions or relief as may be available at law or in equity.

Upon acceptance of a deed to a Unit, each Unit Owner shall automatically become a member of the Condominium Association and be subject to all provisions of the Governing Documents.

17. DAMAGE OR DESTRUCTION. If any Unit, improvement or Common Element or any part thereof is damaged or destroyed by fire or casualty, the repair, restoration or ultimate disposition of any funds or proceeds thereby created shall be in accordance with N.J.S.A. 46:8B-24. In the event the Condominium Association determines not to repair or restore the damaged property in accordance with N.J.S.A. 46:8B-24, any insurance proceeds payable to a Unit Owner as a result of damage or destruction to his Unit and/or share of the Common Elements are thereby assigned and shall be paid to the Eligible Mortgage Holder of a first mortgage lien on the Unit for application to the sums secured by said mortgage with the excess, if any, paid to the Unit Owners.

18. OWNERSHIP OF UNSOLD UNITS. From and after the conveyance of title to the first Unit in any Building which has been made a part of the Condominium, and in the event there are Unsold Units in such Building, the Sponsor shall be deemed to be the Owner of the Unsold Units under the same terms and conditions as all other Unit Owners. The obligation of Sponsor to pay any type of Common Expense or other assessments, including reserves for a particular Unit in a Building, shall commence on the date that the Unit is issued a certificate of occupancy by the governing municipality, subject to the Sponsor's duty to pay for benefits it derives from the Association. Sponsor shall not, however, be obligated to pay any maintenance fees or assessments for Common Expenses other than reserves for so long as Sponsor is providing any subsidy or guarantee to Unit Owners of maintenance fees or assessments for Common Expenses. In no event will the Sponsor be responsible any assessments for new capital improvements, whether by way of a regular Common Expense or

other type of assessment.

Sponsor shall be responsible for performing all duties and tasks necessary for the operation, maintenance, renewal, replacement, care and upkeep of the Common Elements and services and the community and recreational facilities and all other property, real or personal of the Association, prior to the conveyance of the first Unit to a third party such that there will be no assessment of any kind to any Unit Owner for the period of time prior to that date.

19. EMINENT DOMAIN. If any Unit, improvement or Common Element or any part thereof shall be taken, injured or destroyed by eminent domain, each Unit Owner affected shall be entitled to notice of such taking and to participate through the Condominium Association in the proceeding incident thereto. Any awards made in connection with such proceedings shall be collected by the Condominium Association and applied or distributed by it in accordance with the following, unless the award or decree provides to the contrary:

- (a) If a Unit is acquired by eminent domain, or if part of a Unit is acquired by eminent domain leaving the Unit Owner with a remnant that may not practically or lawfully be used for any purpose permitted by this Master Deed, the award must compensate the Unit Owner for his Unit and its undivided percentage interest in the Common Elements, based upon the qualified appraisal acceptable to the Board of the relative value of the Unit(s) taken ("Qualified Appraisal") whether or not any portion of the Common Elements is acquired. Upon acquisition by the condemning authority, unless the decree provides otherwise, each affected Unit's entire undivided percentage interest and its Common Expense liability shall be automatically reallocated to the remaining Units in proportion to their respective undivided percentage interests and the liabilities of such remaining Units before the taking, and the Condominium Association shall promptly prepare, execute and record an amendment to this Master Deed reflecting the reallocations. Any remnant of a Unit remaining after a part of a Unit is taken under this subsection shall thereafter be a Common Element.
- (b) If a part of a Unit is acquired by eminent domain, other than under the circumstances contemplated by subsection (a), the award must compensate the Unit Owner(s) for the reduction in value of the Unit and its undivided percentage interest in the Common Elements. Upon acquisition by the condemning authority, (i) each affected undivided percentage interest, and its Common Expense liability, shall be reduced in proportion to the reduction in value of each such Unit, based upon a Qualified Appraisal; and (ii) the portion of its undivided percentage interest, and Common Expense liability divested from the partially acquired Unit shall be automatically reallocated to each such Unit and the remaining Units in proportion to their respective undivided percentage interests and the liabilities of such remaining Units before the taking, with the partially acquired Unit(s) participating in the reallocation on

the basis of their reduced undivided percentage interest and liabilities. The Board may, notwithstanding any other term of this Master Deed, record an amendment to this Master Deed setting forth the reallocated undivided percentage interests attributable to each Unit as a result of an eminent domain proceeding.

- (c) If a part of the Common Elements is acquired by eminent domain, the award must be paid to the Condominium Association. The Condominium Association shall divide any portion of the award not used for any restoration or repair of the remaining Common Elements among the affected Unit Owners in proportion to their respective undivided percentage interest in the Common Elements before the taking, but the portion of the award attributable to the acquisition of any Limited Common Element must be equally divided among the owners of the Units to which that Limited Common Element was allocated at the time of acquisition based upon a Qualified Appraisal.
- (d) In no event shall the aggregate amount distributed to the affected Unit Owner(s) exceed the total amount of any award paid with respect to any taking by eminent domain.

This provision shall be deemed to be supplemental to and not in derogation of the provisions of N.J.S.A. 46:8B-25.

20. INSURANCE. The Board shall, as more specifically set forth in Article VIII, Section 1(f) of the Bylaws, obtain and continue in effect through the Condominium Association or otherwise, blanket property insurance on the Common Elements in an amount equaling replacement value, and in form satisfactory to any Eligible Mortgage Holder holding first mortgages on a majority of the Units but without prejudice to the right of the owner of any such Unit to obtain and continue other amounts of liability insurance. Premiums for all such insurance coverage except for individual Unit coverage shall be a Common Expense to be included in the assessment for Common Expenses.

21. AMENDMENT OF MASTER DEED.

- A. The provisions of this Master Deed, other than this section, may be amended by an instrument in writing, signed and acknowledged by the President and Secretary of the Association, certifying that such amendment has been approved at a meeting of the Unit Owners, held in accordance with the Bylaws, by the vote or written consent of at least 67 percent of the Eligible Votes present in person or by proxy, with a quorum for a meeting to consider an amendment to the Master Deed being 67 percent of the Eligible Votes. An amendment shall be effective upon its recordation in the Morris County Clerk's Office. No amendment may impair or adversely affect the rights of the Sponsor or cause the Sponsor to suffer any financial, legal or other

detriment, including but not limited to any direct or indirect interference with the sale of the Units, or the assessment of the Sponsor for capital improvements, or the Sponsor's right to physically divide Unit 8/9 to become two separate Units after the execution and recording of the original Master Deed.

Despite anything to the contrary herein, an amendment, deed of revocation, or other document shall be effective to terminate the Condominium form of ownership upon the written approval of 80 percent in interest of all non-Sponsor Unit Owners, and the written approval of the Sponsor for so long as it holds one (1) Unit for sale in the ordinary course of business.

- B. The Board of Trustees will have the authority to amend this Master Deed upon the affirmative vote of at least 80 percent of the Trustees of the Board, solely when necessary to render this Master Deed in compliance with any applicable law as set forth in a written opinion by the Association's counsel, but only to the extent necessary to render this Master Deed compliant. An amendment will be effective upon its recordation in the Morris County Clerk's Office. Any amendment adopted under this provision will be distributed to the Unit Owners within 30 days of receipt of the recorded amendment, provided, however, that the failure to distribute will not render the amendment ineffective or void.
- C. This Paragraph 21 of this Master Deed may be amended in accordance with the procedure in subpart (A) of this section, provided that the amendment must be approved by two-thirds of all Eligible Votes.
- D. Notwithstanding the terms of this paragraph, paragraph 13(t) may not be amended without the approval of the Owners of Units 5 and 6.

22. ENFORCEMENT. Enforcement of this Master Deed shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction against any person or persons, firm or corporation violating or attempting to violate or circumvent any covenant; or to recover damages and, against any owner to enforce any lien created by this Master Deed in any covenant herein contained; or by self-help; and, failure by the Condominium Association or any member to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right thereafter to enforce the same. The procedures for enforcement are set forth in Article XV of the Bylaws.

The Association will not be obligated to enforce every technical violation of the terms, conditions, covenants, restrictions, rules or regulations contained in any of the Governing Documents if the Board determines, in the reasonable exercise of its discretion, that it is imprudent, impractical or infeasible to enforce any particular Rule; it having been

determined that it is in the best interests of the Unit Owners to vest the broadest discretion in the Board with respect to the enforcement of the Governing Documents, provided, however, the Board will have an obligation to enforce the Governing Documents if the failure to do so would have a material detrimental impact upon the value of any of the Units or would materially affect the common welfare of the Unit Owners. Nothing herein is intended to prevent any Unit Owner from undertaking an appropriate action at law or in equity to enforce the Governing Documents.

23. INVALIDITY. The invalidity of any provisions of this Master Deed, the Articles of Incorporation, or Bylaws of the Condominium Association shall not be deemed to impair or affect in any manner the validity, enforceability or affect the remainder of this Master Deed or the Bylaws and in such event, all of the other provisions of this Master Deed and the Bylaws shall continue in full force and as if such invalid provision had never been included therein.

24. WAIVER. No provision contained in this Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

25. GENDER. The use of the masculine gender in this Master Deed shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

26. RULE AGAINST PERPETUITIES. If any provision of this Master Deed or the Bylaws shall be interpreted to constitute a violation of the rule against perpetuities, then such provision shall be deemed to remain in effect until the death of the last survivor of the now living descendants of Christine Whitman, former Governor of the State of New Jersey, plus 21 years thereafter.

27. PROTECTIVE PROVISIONS FOR THE BENEFIT OF ELIGIBLE MORTGAGE HOLDERS. Anything to the contrary in this Master Deed or the Bylaws or Articles of Incorporation notwithstanding, the following shall apply with respect to each Eligible Mortgage Holder of a Unit:

- (a) The prior written approval of at least 67 percent of the Eligible Mortgage Holders is required for any material amendment to this Master Deed or to the Bylaws or Articles of Incorporation, including, but not limited to, any amendment which would change any provision relating to:
 - (i) reserves for maintenance, repair and replacement of Common Elements;
 - (ii) responsibility for maintenance and repairs;

- (iii) reallocation of interests in the General or Limited Common Elements or rights to their use;
 - (iv) boundaries of any Unit, except amendments clarifying or confirming the actual dimensions or location of a Unit as originally constructed by the developer;
 - (v) convertibility of Units into Common Elements or vice versa;
 - (vi) expansion or contraction of the Condominium, or the addition, annexation or withdrawal of land to or from the Condominium;
 - (vii) imposition of any restrictions upon a Unit Owner's right to sell or transfer his or her Unit;
 - (viii) a decision by the Condominium Association to establish self-management rather than professional management;
 - (ix) restoration or repair of the Condominium (after damage, destruction or condemnation) in a manner other than that specified in this Master Deed;
 - (x) any action to terminate the legal status of the Condominium as a Condominium after substantial destruction or condemnation occurs; and
 - (xi) any material amendment to this Master Deed that would affect the interests of Eligible Mortgage Holders.
- (b) The prior written approval of at least 67 percent of the Eligible Mortgage Holders is required before the effectuation of any decision by the Unit Owners to terminate the legal status of the Condominium as a Condominium for reasons other than substantial destruction or condemnation of the Property.
- (c) Any Eligible Mortgage Holder shall be entitled to receive, if requested, 30 days advance notice from the Condominium Association of any proposed amendment to this Master Deed, the Bylaws or the Articles of Incorporation, which notice shall include a copy of the proposed change; and any Eligible Mortgage Holder shall be deemed to have implicitly approved such change as proposed unless it states in a written response to the Condominium Association its objections or comments relative to such proposed change.
- (d) Any Eligible Mortgage Holder shall be entitled to timely written notice of:

- (i) any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the Eligible Mortgage Holder's mortgage; and no Unit Owner or other party shall have priority over such Eligible Mortgage holder with respect to the distribution to such Unit(s) of the proceeds of any condemnation or with respect to the distribution to such Unit(s) of any insurance proceeds in the event of casualty loss;
 - (ii) any 60 day delinquency in the payment of Common Expense assessment installments or other assessments or charges owed to the Condominium Association by a Unit Owner of any Unit on which the Eligible Mortgage Holder holds a mortgage;
 - (iii) a lapse, cancellation or material modification of any insurance policy maintained by the Condominium Association; and
 - (iv) any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders.
- (e) No Unit in the Condominium may be partitioned or subdivided without the prior written approval of any Eligible Mortgage Holder for such Unit.
- (f) Any lien the Condominium Association may have on any Unit in the Condominium for the payment of Common Expense assessments attributable to each Unit is subordinate to the lien or equivalent security interest of any first mortgage on the Unit recorded prior to the date any such Common Expense assessment became due.
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- (g) Any Eligible Mortgage Holder shall upon written request, (i) be permitted to inspect the books and records of the Condominium Association during normal business hours; (ii) receive an annual audited financial statement of the Condominium Association within 90 days following the end of any fiscal year of the Condominium Association; and (iii) receive written notice of membership and Board of Trustee meetings of the Condominium Association.
- (h) Any Eligible Mortgage Holder who holds a first mortgage lien on a Unit who obtains title to the Unit as a result of foreclosure of the first mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser in a foreclosure suit, or their respective successors and assigns, is not liable for the share of Common Expenses or other assessments by the Condominium Association pertaining to such Unit or chargeable to the former Unit Owner which became due prior to acquisition of title. Such unpaid share of Common Expenses and other assessments shall be deemed to be Common Expenses collectible from all of the remaining Unit Owners including such acquirer, his successors and

assigns.

- (i) Despite the absence of any express provision to such effect in the mortgage instrument, in the event that there is any default in the payment of any installment of a Common Expense assessment with respect to any Unit, either regular or special, any Eligible Mortgage Holder holding a mortgage which encumbers such Unit shall be entitled to declare such mortgage in default in the same manner that is permitted by such mortgage with respect to any default in the payment of real estate taxes.
- (j) Any management agreement for the Condominium entered into between the Sponsor and the Management Company shall not be for a period in excess of one (1) year. Any such management agreement shall also contain a provision that it may be terminated without cause by either party before its expiration date on not less than 90 days written notice, and with cause on not less than 30 days written notice.

28. SPECIAL SPONSOR RIGHTS.

- (a) Rights Reserved to Sponsor. Anything to the contrary herein or in the Certificate of Incorporation or Bylaws of the Association notwithstanding, the Sponsor hereby reserves for itself, its successors and assigns, for so long as it owns one (1) or more Units in the Condominium, the right to sell, lease, mortgage, sublease or otherwise dispose of any unsold Units within the Condominium.
- (b) Transfer of Special Sponsor's Rights. No special rights created or reserved to the Sponsor under this Master Deed ("Special Sponsor Rights") may be transferred except by an instrument evidencing the transfer recorded in the Office of the Clerk of Morris County, New Jersey. The instrument shall not be effective unless executed by the transferee.
- (c) Liability of Transferor. Upon transfer of any such Special Sponsor Right, the liability of the transferor is as follows:
 - (i) A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for warranty obligations imposed upon him. Lack of privity does not deprive any Unit owner of standing to bring an action to enforce any obligation of the transferor.
 - (ii) If a transferor retains any such Special Sponsor Right, or if a successor to any such Special Sponsor Right is an affiliate of the Sponsor, the transferor is subject to liability for all obligations and liabilities imposed on a Sponsor by law or by the Master Deed, arising after the

- (iii) A successor to only a Special Sponsor Right to maintain models, sales offices, and signs, if he is not an affiliate of Sponsor, may not exercise any other Special Sponsor Right, but is not subject to any liability or obligation as a Sponsor.
- (iv) A successor to all Special Sponsor Rights who is not an affiliate of Sponsor and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Units under paragraph "d" aforesaid, or, in a Transfer of Special Development Rights document, may declare his intention in such a recorded instrument to hold those rights solely for transfer to another party. Thereafter, until transferring all such Special Sponsor Rights to any person acquiring title to any Unit owned by the successor, or until recording an instrument permitting exercise of all those rights, that successor may not exercise any of those rights other than the right to control the Board for the duration of any period of Sponsor control, and any attempted exercise of those rights is void. So long as a successor may not exercise Special Rights under this subparagraph he is not subject to any liability or obligation as a Sponsor other than liability for the successor's acts and omissions under the Master Deed.
- (g) Ineffectiveness. Nothing in this Paragraph 28 subjects any successor to a Special Sponsor Right to any claims against or other obligations of a transferor other than claims and obligations arising under the Master Deed.
- (h) Sponsor may use the Special Sponsor Rights granted in this Paragraph 28 to effectuate the following changes, enumerated by way of description and not limitation:
 - (i) Decreases. Decreasing the number of Units to be included within the Condominium, increasing the percentage interest in the Common Elements and the percentage share of costs and increasing voting rights proportionately. However, the Sponsor shall not have the power to reduce the Condominium to less than nine (9) Units unless such amendment is accomplished prior to the conveyance of the first Unit. While the Sponsor maintains a majority of the Board, it shall make no additions, alterations, improvements or purchases not contemplated in this Master Deed that would necessitate a special assessment or a substantial increase in the monthly assessment unless required by a government agency, title insurance company, mortgage lender or in the event of an emergency.
 - (ii) Increases. Adding Units and lands to the area included within the Condominium, or dividing Unit 8/9 into two separate Units, and

adjusting the percentage interest in the Common Elements and share of Common Expenses proportionately. However, the voting rights of Unit Owners and percentage interests in the Common Elements shall always equal a fraction which is equal to one divided by the total number of Units contained within the Condominium, as set forth in the Master Deed. Prior to the closing of title of any affected Unit, the Sponsor may amend the Master Deed to alter and/or fix the location, configuration, shape and size of any Building, and to alter and/or fix the size, shape, number and configuration of any Units within any Buildings.

- (iii) Easements. Adding to or altering the location, size and/or purpose of easements and lands for utilities, roads, access, egress, drainage and/or financing purposes; or convey or assign such easements to the appropriate governmental authority or utility agency or company.
- (iv) Use of Easements. To permit the Sponsor, its agents, employees or subcontractors to utilize easements, roads, drainage facilities, utility lines, and the like, within or servicing the Condominium.
- (v) Surrender of Sponsor's Rights. To surrender or modify rights of the Sponsor in favor of the Unit Owners and/or the Association, and/or their respective changes to the Master Deed.
- (vi) Technical Changes. Correcting, supplementing and providing technical changes to the Master Deed.
- (vii) Miscellaneous Changes. To amend the within Master Deed for the express purpose of qualifying the property hereunder for Federal National Mortgage Association (FNMA – Fannie Mae) and/or Federal Home Loan Mortgage Corporation financing programs or any other similar secondary mortgage lender or as required by any governmental or quasi-governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company insuring title to any Unit.
- (i) Changes Prohibited. The Sponsor shall not be permitted to cast any votes held by it for sold lots, parcels, Units (finished or unfinished) or interests for the purpose of amending the Master Deed, Bylaws or any other document for the purpose of changing the permitted use of a lot, parcel, Unit or interest, or for the purpose of reducing the Common Elements or facilities. However, Sponsor shall be permitted to cast such votes on all other matters to which it is legally entitled to vote.

- (j) Effective Date of Amendment. Any amendment to the Master Deed will become effective upon the recording of an amendment to the Master Deed in the Office of the Clerk of Morris County. The Sponsor will, thereafter, provide copies of said amendment to each Owner and Eligible Mortgage Holder affected.
- (k) Severability of Provisions Hereof. It is the intention of the Sponsor that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected thereby. In the event that any provision, condition, covenant or restriction thereof, is at the time of recording this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, the Sponsor and Unit Owners covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid. Further, it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

29. ADJUSTMENT OF DOLLAR AMOUNTS.

- (a) Consumer Price Index.

All dollar amounts set forth in this Master Deed will change according to and to the extent of changes in the Consumer Price Index for Consumer Price Index-All Urban Consumer: New York-Northern New Jersey-Long Island, NY-NJ-CT-PA , All Items 1982-84=100, compiled by the Bureau of Labor Statistics, the United States Department of Labor, (the "Index"). The Index for December, 1999, which was 178.6, is the Reference Base Index.

- (b) Change in Dollar Amounts.

All dollar amounts specified in this Master Deed will change on July 1 of each year if the percentage of increase, calculated to the nearest whole percentage point, between the Index at the end of the preceding year and the Reference Base Index is 10 percent or more, but (i) the portion of the percentage change in the Index in excess of any multiple of 10 percent must be disregarded and the dollar amounts will change only in multiples of 10 percent of the amounts appearing in this Master Deed on the date of its adoption; (ii) the dollar amounts will not change if the amounts required by this section are those

currently in effect pursuant to this Master Deed as a result of the earlier application of this section; and (iii) in no event may the dollar amounts be reduced below the amounts appearing in this Master Deed on the date of adoption.

(c) Revision of Index.

If the Index is revised after the date of the adoption of this Master Deed, the percentage of change pursuant to this section must be calculated on the basis of the revised Index. If the revision of the Index changes the Reference Base Index, the Reference Base Index must be determined by multiplying the Reference Base Index then applicable by the rebasing factor furnished by the Bureau of Labor Statistics. If the Index is superseded, then Index referred to in this Article is the one represented by the Bureau of Labor Statistics as reflecting most accurately changes in the purchasing power of the dollar for consumers in the New York Metropolitan Area.

30. MEGAN'S LAW REGISTRATION.

A. No person required to register with a designated registering agency pursuant to N.J.S.A. 2C:7-3, and who is thereafter determined to be a Tier-3 registrant pursuant to N.J.S.A. 2C:7-8(c)(3) ("Tier-3 Megan's Law Registrant"), may permanently or temporarily reside in a Unit. As used in this section "resides" means living in or possessing any portion of a Unit for more than 14 days out of any 30 consecutive-day period.

B. If, subsequent to the recording of this Master Deed in the records of the Clerk of Morris County, a Tier-3 Megan's Law Registrant resides in a Unit as a tenant, or under any other possessory interest, the Unit Owner must immediately cause the person to vacate the Unit and, if the person does not vacate the Unit within 30 days of the date the Unit Owner was notified by the Association of the presence of a Tier-3 Megan's Law Registrant, then the Unit Owner will immediately commence eviction proceedings. If the Unit Owner fails to commence the eviction proceeding within 30 days following the date the Unit Owner is required to do so and diligently pursue the eviction to conclusion, then the Association may act as attorney-in-fact for the Unit Owner and pursue the eviction action at the Unit Owner's cost and expense. If any action seeking eviction of a Tier-3 tenant does not result in a judgment of possession in favor of the Unit Owner, the Association may, but will not be obligated to, prosecute an appeal seeking the eviction of the tenant. In the event the Association obtains a final judgment resulting in the eviction of the tenant the Unit Owner will be responsible for all reasonable fees and costs of the Association in prosecuting the appeal.

Each Unit Owner hereby appoints the Association as the Unit Owner's attorney-in-fact for the purpose of commencing eviction proceedings, executing any and all documents pertaining to the proceedings or performing any or all responsibilities as may be required or

necessary to be performed pursuant to this Paragraph 30. This power of attorney is expressly declared and acknowledged to run with the title of any and all Units and will be binding upon the heirs, personal representatives, successors and assigns of the Unit Owner.

C. Any Unit Owner, who by virtue of residing in a Unit, has been notified by the Association that he is in violation of this Section, must vacate the Unit within 90 days of receipt of the Association's notice. If the Unit Owner fails to vacate the Unit within 90 days, the Association may, in addition to all other remedies available to the Association, purchase the Unit at a purchase price equal to the average of two independent appraisals to be obtained by the Association, less the Association's anticipated costs of selling the Unit, including, without limitation, brokerage fees, of not more than seven percent (7%) of the appraisal value, the cost of the appraisal, the realty transfer tax (based on the appraisal value), and other customary and incidental selling costs not in excess of one percent (1%) of the appraisal value.

D. The Association will not be liable to any Unit Owner, anyone occupying or visiting Georgetowne of Morristown Condominium as the result of the Association's failure to dispossess a Tier-3 Megan's Law Registrant.

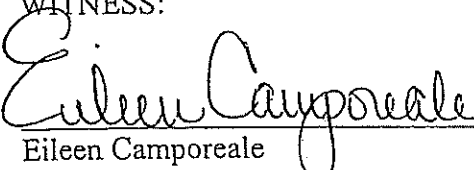
IN WITNESS WHEREOF, the Sponsor has caused this instrument to be signed, sealed and delivered by its proper corporate officers and its corporate seal to be affixed on this 1st day of April, 2002.

FENIX INVESTMENT & DEVELOPMENT –
GEORGETOWNE, L.L.C.



PATRICK O'NEILL, Sole Member

WITNESS:



Eileen Camporeale